

Dumping duty to continue on rubber chemicals from EU, China

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The Designated Authority in the Commerce Ministry has proposed continuation of the definitive anti-dumping duty on imports of certain rubber chemicals from the European Union and China, even as the extant dumping duty on the subject goods expired on May 11.

It, however, made no case for continued injury of the subject goods from Chinese Taipei and the US, which were paying the dumping duty in the past, on grounds that there was no export from these countries during the period of present probe and in the last two years.

In its final findings on the sunset review it has undertaken following the petition it received from the original mover, the Authority clarified that the product under review

relates to certain rubber chemicals namely 'PX13' from the EU and Chinese Taipei, 'MOR' from China and 'TDQ' from the EU and Chinese Taipei.

These rubber chemicals are extensively used in treating natural rubber, synthetic rubber (SBR, Butadiene rubber, nitrile rubber, carboxylated rubber) and other synthetic rubber based compounds used for manufacture of various rubber products.

In its final findings in the sunset review, the Authority said despite the existence of the anti-dumping duty, the imports of 'PX13' increased marginally over the injury period. More importantly, these imports are at dumped prices and they are undercutting and underselling the prices of the subject goods of the domestic industry. Hence it feared that the cessation of the anti-dump-

ing duty is likely to lead to the persistence of dumping and consequent injury to the indigenous industry.

In the case of another rubber chemical 'MOR', the Authority found that the dumping margin from the EU is negative, while in the case of China the price under-cutting and price under-selling is positive even after applying the anti-dumping duty in force.

As injury to the domestic industry is likely to recur in case the present anti-dumping duty lapses and based on information available on record, the Authority said the anti-dumping duty on 'MOR' for China is required to be extended and modified.

In the case of 'TDQ' rubber chemicals, the dumping margin from the EU is significant and above the de-minimis limit prescribed. Hence the Author-

ity has proposed to extend and modify the existing anti-dumping duty on this product from China.

THE DUTY

Thus in the case of the producer-exporter of rubber chemical 'PX13' Solutia Inc from the EU would have to shell out a definitive anti-dumping duty of \$810 a tonne, any other producer or exporter from the EU would have to pay \$928 a tonne for export of the subject goods to India.

In the case of rubber chemical 'MOR' while producers/exporters from China would have to pay a definitive anti-dumping duty of \$770 a tonne, producers/exporters from the EU would have to fork out a definitive anti-dumping duty of \$262 a tonne, the Authority said.

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